

In replying please address: ILLEGIB

25X1

December 9, 1958

Dear Sir:

In accordance with a recent discussion with your technical representative, we are submitting a proposed research program directed toward the design and development of an experimental

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A device which served the indicated purpose would probably

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Although there may be some commercially available device that can be adapted, it is expected that the development of a satisfactory experimental device would require considerable original thought and experimentation.

Informal monthly letter reports would be submitted describing the progress of the activity on the proposed program. These would be supplemented by discussions during periodic visits by your technical representative. At the end of the proposed research period, a summary report would be submitted describing the activity performed under the proposed program.

It is proposed that the contract provide for a six-month period of research, with an estimated appropriation of \$10,589, including the fixed fee. A general breakdown of the estimated costs is attached.

The proposed contract would be a period-basis research agreement, consistent with our current contractual arrangements and providing only for a fixed period of research leading toward the objective outlined above.

If you should have any questions regarding this proposed program, please let us know. Any inquiries of a contractual nature may be directed to at Extension 159.

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Very truly yours,

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EES:mlm

In Duplicate

Proposal of to the U. S. Government.
For Research on the Development of a

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Based upon a period-basis Contract for a research period of six months.

(Including time for submission of all reports. The proposed contract will not provide for earlier conclusion of the research.)

ESTIMATED COSTS

We expect that the cost of this research for the period indicated above may be distributed approximately as set forth hereon, subject to the understanding that this allocation is merely an estimate, and actual costs incurred may vary from the categories shown. We have determined that these estimates are reasonable and consistent with established policies in its research for the various Government agencies, which policies are briefly discussed below and will be followed in determination of our actual costs hereunder.

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Materials & Supplies, etc.

(Including any equipment which may be purchased as necessary in performance of the research. Charges of \$25 or less are excluded from this item.)

Use of Equipment and Technical Services, Travel, and Misc.

(Including applicable costs of technical research and service divisions, and use of technical equipment, except that any undistributed balances of these accounts will be included in overhead. Cost of travel includes reasonable actual subsistence expenses and the actual cost of transportation. An allowance of up to 8¢ per mile for all necessary travel by privately owned conveyance is included in lieu of the cost of such travel.)

Salaries & Wages

(Including our predetermined accrual for vacation, holiday, and sick-leave pay, pensions, and social security.)

Type of Employee	No. of Man-Months	Estimated Cost
Supervision	1	<div style="border: 1px solid black; width: 80px; height: 100px; margin: 0 auto;"></div>
Research Engineers	3-1/2	
Lab. Assistants	3-1/3	
Steno., Clerical, Shop & Photo., etc.	1-1/2	
Total Salaries & Wages		

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Overhead

60 per cent of salaries and wages, as they are defined above. Provisional monthly reimbursement will be at the rate of 60 per cent of salaries and wages, as so defined, or at such other provisional rate as may from time to time be mutually agreed upon with the Government's audit representatives. This is a provisional rate for current reimbursement, which we have arrived at by negotiation with Government representatives, and it will be subject to retroactive revision to the "actual" rate agreed upon with them for each calendar year following a detailed audit for that year. The item of overhead includes general research, charges of \$25 or less for materials and supplies, and other categories of costs we customarily include in our overhead account. Cash discounts on all purchases will be credited to overhead, instead of to the amount of the purchase. Scrap of appreciable value will be credited directly to the project. All other scrap will be credited to the overhead account, in which the Government participates.)

Total Estimated Cost

Fixed Fee

Contract Price

\$10,589

*Please let us have your acceptance in our hands by January 26, 1959.

Unless we extend the time, your acceptance after that date will be subject to agreement.